



















Ferry Tolling

Joint Legislative Transportation Oversight Committee
February 10, 2012
Paul Morris, Deputy Secretary of Transit
NCDOT



















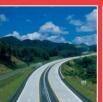
Legislative Directive

The Appropriations Act of 2011 (HB 200) stated that the Board of Transportation shall,

- no later than April 1, 2012
- "establish tolls for all ferry routes, except for the Ocracoke / Hatteras Ferry and the Knotts Island Ferry"
- "consider the needs of commuters and other frequent passengers"
- generate an annual revenue of \$5.0 million





















Methodology

- Created a traffic & revenue model based on ridership and gathered survey results
- Developed three models
 - National Parity Model

 Average national price per mile (on all 7 routes & 5 directive routes)
 - System Parity Model Tolling all seven routes
 - **Directive Model**Tolling the five directive routes



National Parity Model

Provides baseline for comparison with other ferry systems
Based on the national tolling average price (\$2.00 per crossing mile)

Total revenue \$12.26 million, with all routes
Total revenue \$8.46 million, with directive routes (w/out Hatteras & Knotts Island)

	Cherry Branch		Bayview		Southport		Sound Routes	
Class Fare	Proposed	Current	Proposed	Current	Proposed	Current	Proposed	Current
Pedestrian	\$1	0	\$3	0	\$3	1	\$10	1
Passenger	\$1	0	\$3	0	\$3	0	\$10	0
Bicycle	\$2	0	\$5	0	\$5	2	\$20	3
Motorcycle	\$3	0	\$7	0	\$7	3	\$30	10
< 20 feet	\$4	0	\$10	0	\$10	5	\$50	15
20 feet - 40 feet	\$8	0	\$20	0	\$20	10	\$100	30
>40 feet	\$20	0	\$50	0	\$50	15	\$250	45
Commuter Pass	\$600	**	\$600	**	\$600	**	\$600	**

^{**} Current Commuter Pass: \$150 for < 20 feet, \$200 for 20 feet - 40 feet & \$250 for >40 feet

^{**} Commuter assumed to continue to be scaled based on vehicle length

System Parity Model

Provides baseline for comparison if all routes are tolled Tolling all seven routes (approximately \$0.80 - \$1.00 per crossing mile)

Total revenue \$5.0 million

	Cherry Branch		Bayview		Southport		Sound Routes	
Class Fare	Proposed	Current	Proposed	Current	Proposed	Current	Proposed	Current
Pedestrian	\$0.50	0	\$1	0	\$1	1	\$5	1
Passenger	\$0.50	0	\$1	0	\$1	0	\$5	0
Bicycle	\$0.75	0	\$2	0	\$2	2	\$10	3
Motorcycle	\$1	0	\$3	0	\$3	3	\$15	10
< 20 feet	\$2	0	\$4	0	\$4	5	\$25	15
20 feet - 40 feet	\$4	0	\$8	0	\$8	10	\$50	30
>40 feet	\$6	0	\$12	0	\$12	15	\$75	45
Commuter Pass	\$200	**	\$200	**	\$200	**	\$200	**

^{**} Current Commuter Pass: \$150 for < 20 feet, \$200 for 20 feet - 40 feet & \$250 for >40 feet

^{**} Commuter assumed to continue to be scaled based on vehicle length

Directive Model

Per HB 200 tolling only five routes (approximately \$1.20 - \$2.00 / crossing mile) Total revenue \$5.0 million in FY 2012-2013

	Cherry Branch		Bayview		Southport		Sound Routes	
Class Fare	Proposed	Current	Proposed	Current	Proposed	Current	Proposed	Current
Pedestrian	\$1	0	\$2	0	\$2	1	\$5	1
Passenger	\$1	0	\$2	0	\$2	0	\$5	0
Bicycle	\$2	0	\$3	0	\$3	2	\$10	3
Motorcycle	\$2.5	0	\$5	0	\$5	3	\$15	10
< 20 feet	\$4	0	\$10	0	\$10	5	\$25	15
20 feet - 40 feet	\$8	0	\$20	0	\$20	10	\$60	30
>40 feet	\$12	0	\$30	0	\$30	15	\$90	45
Commuter Pass	\$400	**	\$400	**	\$400	**	\$400	**

^{**} Current Commuter Pass: \$150 for < 20 feet, \$200 for 20 feet - 40 feet & \$250 for >40 feet

^{**} Commuter assumed to continue to be scaled based on vehicle length



















Model Summary

- National Parity Model
- revenue exceeds the need
- requires fares to increase dramatically
- fails the elasticity test
- System Parity Model
- meets revenue need
- does not meet the directive (all seven routes are tolled)
- passes the elasticity test
- Directive Model
- meets revenue need
- meets the directive (only five routes are tolled)
- passes the elasticity test
- base for developing pricing options



Pricing Option One

- New pricing structure for Southport and Sound Routes
 Start charging for Cherry Branch and Bayview Routes
- Start charging for each passengers in a vehicle

	Cherry Branch		Bayview		Southport		Sound Routes*	
Class Fare	Proposed	Current	Proposed	Current	Proposed	Current	Proposed	Current
Pedestrian	\$1	0	\$2	0	\$2	1	\$5	1
Passenger	\$1	0	\$2	0	\$2	0	\$5	0
Bicycle	\$2	0	\$3	0	\$3	2	\$10	3
Motorcycle	\$2.5	0	\$5	0	\$5	3	\$15	10
< 20 feet	\$4	0	\$10	0	\$10	5	\$25	15
20 feet - 40 feet	\$8	0	\$20	0	\$20	10	\$50	30
>40 feet	\$12	0	\$30	0	\$30	15	\$75	45
Commuter Pass	\$400	**	\$400	**	\$400	**	\$400	**

^{*} Cedar Island and Swan Quarter

^{**} Current Commuter Pass: \$150 for < 20 feet, \$200 for 20 feet - 40 feet & \$250 for >40 feet

^{**} Commuter assumed to continue to be scaled based on vehicle length

Pricing Option Two

Different from Option One

- No charge for passengers in a vehicle
 Difference is balanced from other fares (shown in blue)

	Cherry Branch		Bayview		Southport		Sound Routes*	
Class Fare	Proposed	Current	Proposed	Current	Proposed	Current	Proposed	Current
Pedestrian	\$1	0	\$2	0	\$2	1	\$5	1
Passenger	0	0	0	0	0	0	0	0
Bicycle	\$2	0	\$3	0	\$3	2	\$10	3
Motorcycle	\$3	0	\$5	0	\$5	3	\$15	10
< 20 feet	\$7	0	\$12	0	\$12	5	\$30	15
20 feet - 40 feet	\$15	0	\$25	0	\$25	10	\$60	30
>40 feet	\$25	0	\$50	0	\$50	15	\$90	45
Commuter Pass	\$500	**	\$500	**	\$500	**	\$500	**

^{*} Cedar Island and Swan Quarter

^{**} Current Commuter Pass: \$150 for < 20 feet, \$200 for 20 feet - 40 feet & \$250 for >40 feet

^{**} Commuter assumed to continue to be scaled based on vehicle length

Pricing Option Three

Different from Option One

- Scaled price for a single route Commuter Pass (lower prices for shorter routes)
 Difference is balanced from vehicles on Sound Routes (shown in blue)

	Cherry Branch		Bayview		Southport		Sound Routes*	
Class Fare	Proposed	Current	Proposed	Current	Proposed	Current	Proposed	Current
Pedestrian	\$1	0	\$2	0	\$2	1	\$5	1
Passenger	\$1	0	\$2	0	\$2	0	\$5	0
Bicycle	\$2	0	\$3	0	\$3	2	\$10	3
Motorcycle	\$2.5	0	\$5	0	\$5	3	\$15	10
< 20 feet	\$4	0	\$10	0	\$10	5	\$27	15
20 feet - 40 feet	\$8	0	\$20	0	\$20	10	\$50	30
>40 feet	\$12	0	\$30	0	\$30	15	\$75	45
Commuter Pass	\$150	**	\$200	**	\$200	**	\$300	**

Cedar Island and Swan Quarter

^{**} Current Commuter Pass: \$150 for < 20 feet, \$200 for 20 feet - 40 feet & \$250 for >40 feet

Commuter assumed to continue to be scaled based on vehicle length

Pricing Option Four

Different from Option One

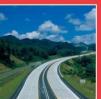
- No charge for passengers in a vehicle
- Scaled price for a single route Commuter Pass (lower prices for shorter routes)
- Difference is balanced from other fares (shown in blue)

	Cherry Branch		Bayview		Southport		Sound Routes*	
Class Fare	Proposed	Current	Proposed	Current	Proposed	Current	Proposed	Current
Pedestrian	\$1	0	\$2	0	\$2	1	\$5	1
Passenger	\$0	0	\$0	0	\$0	0	\$0	0
Bicycle	\$2	0	\$3	0	\$3	2	\$10	3
Motorcycle	\$3	0	\$5	0	\$5	3	\$15	10
< 20 feet	\$7	0	\$12	0	\$12	5	\$33	15
20 feet - 40 feet	\$15	0	\$25	0	\$25	10	\$60	30
>40 feet	\$25	0	\$50	0	\$50	15	\$90	45
Commuter Pass	\$150	**	\$200	**	\$200	**	\$300	**

^{*} Cedar Island and Swan Quarter

^{**} Current Commuter Pass: \$150 for < 20 feet, \$200 for 20 feet - 40 feet & \$250 for >40 feet** Commuter assumed to continue to be scaled based on vehicle length



















Public Outreach

Held four public meetings:

- Ocracoke, Wednesday, Jan. 18, 2012
- Washington, Thursday, Jan. 19, 2012
- Morehead City, Thursday, Jan. 30, 2012
- Southport, Tuesday, Jan. 31, 2012

Fifth public meeting scheduled

Pamlico Wednesday, Feb. 15





















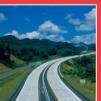
Public Outreach

Extensive public outreach via all forms of communications:

- Web page with all information
- Distributed media advisories/press releases
- Established feedback process
 - Web submission
 - Written submission
 - Email submission
 - Verbal (public meetings)





















Necessary Short-Term Enhancements

Cherry Branch

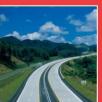
- Construct one booth
- Hire four employees (two per shift, 7 days on/off) \$121,808 annually

Minnesott Beach

- Construct one booth
- Hire four employees (two per shift, 7 days on/off) \$121,808 annually





















Necessary Short-Term Enhancements

Pamlico River/Bayview

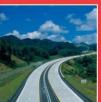
- Construct one booth
- Hire four employees (two per shift, 7 days on/off) \$111,424 annually

Pamlico River/Aurora

- No new booth
- Tolls collected at Bayview location





















Necessary Short-Term Enhancements

One-time expenditures for new toll collection:

• Construct three booths: \$51,500

Install/enhance utilities

credit card processing ability: \$11,871

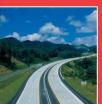
• <u>Signage:</u> \$ 3,600

TOTAL \$55,100

• Road modifications/traffic configurations will be addressed by Division One





















Revenue vs. Collection Costs

Quarter	Revenue	Costs	Total
4Q 2012	\$1,715,957	\$320,019	\$1,395,938
1Q 2013	\$2,010,000	\$260,334	\$1,749,752
2Q 2013	\$800,930	\$268,571	\$532,359
3Q 2013	\$450,369	\$248,555	\$201,814
4Q 2013	\$1,715,957	\$264,919	\$1,451,038





















Toll Collection Long Term Objective

All Electronic Collection:

- •Benefits:
- Reduced labor costs
- More enhanced internal controls/tracking
- Reduced long-term expenditures
- •Ridership convenience (seamless experience)

Challenges:

- Installation costs
- Longer implementation time frame
- Maintenance and warranty costs
- Limited or Non-Existent Equipment Failure Options

